

MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING

THURSDAY, APRIL 26, 2018, 3:00 P.M.

ECUA BOARD ROOM

9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK

PENSACOLA, FLORIDA

Members present: Lois Benson, Chairman
Dale Perkins, Vice Chairman
Elvin McCorvey
Larry Walker

Members absent: Vicky Campbell

Counsel present Bradley S. Odom

Staff present: Stephen E. Sorrell, Executive Director

ITEM 1 – INVOCATION AND PLEDGE OF ALLEGIANCE

Prior to calling the regular meeting of the Board to order, Chairman Benson requested that Mr. McCorvey provide the invocation and lead the Pledge of Allegiance.

ITEM 2 – CALL TO ORDER

Chairman Benson called the regular meeting of the Emerald Coast Utilities Authority Board to order at approximately 3:01 p.m.

ITEM 3 - ADOPTION OF AGENDA

Mr. Odom added Item 12(a) – Legal Services Agreement, to the agenda.

A motion was made by Dr. Walker seconded by Mr. McCorvey to adopt the agenda as amended. ***Motion carried 4-0.***

ITEM 4 – PUBLIC HEARINGS

There were no public hearings.

ITEM 5 – OPEN FORUM

Ms. Nancy Neidigh, 525 North 61st Avenue, Pensacola, Florida 32506, addressed the Board concerning the placement of the water meter for the residence at 801 Cody Lane. She stated that the meter is 527 feet away from the house they are building and would like to have it moved closer.

Ms. Benson requested that Mr. Bill Johnson provide information regarding this matter. He indicated that he would need to consult the water and sewer maps; however, according to the property appraiser's map which Ms. Neidigh presented, the water line terminates at the end

of the easement, or right-of-way, where we have access and, per policy, we do not extend water mains to provide service. The closest we could set the main would be where it is now. He suggested that Ms. Neidigh contact Mr. Tony Johnson or Mr. Brian Reid to possibly meet in the field for a more accurate assessment of the situation.

Ms. Benson asked that Ms. Neidigh meet with ECUA staff.

ITEM 6 – PRESENTATIONS

There were no presentations.

ITEM 7 – APPROVAL OF MINUTES

A motion was made by Mr. McCorvey seconded by Dr. Walker to approve the minutes of the regular Board meeting of March 29, 2018, as presented. ***Motion carried 4-0.***

ITEM 8 – REPORT OF THE ECUA CITIZENS' ADVISORY COMMITTEE OF APRIL 18, 2018

A motion was made by Dr. Walker seconded by Mr. McCorvey to approve the following recommendations for Items G and H. ***Motion carried 4-0.***

- G. That the Board authorize the Executive Director to use the Small Scale Contract to perform the utility relocations associated with the FDOT's stormwater drainage project, and establish a project budget in the amount of \$120,000, with funding from CIP Project CR405.
- H. That the Board approve the use of approximately \$250,000 from operating contingencies for the purchase of approximately 1,750 replacement registers from Neptune at a cost of \$129 per unit.

ITEM 9 – OPERATIONAL ITEMS

(a) Renewal of Annual Unit-Price Contract for Sanitary Sewer Manhole Rehabilitation (RI704)

Motion made by Mr. Perkins seconded by Dr. Walker that the Board approve the optional one-year extension of the Sanitary Sewer Manhole Rehabilitation contract with BLD Services, LLC, for the third and final year of the contract term with funding from CIP Project RI704, supplemented by transfer from CIP Project RI700 – Infiltration and Inflow, as needed for expenditures of up to \$800,000 for this contract period. ***Motion carried 4-0.***

Dr. Walker stated that sometimes out-of-town contracts do not always work out well, but this company is to be commended for their work.

(b) Renewal of Annual Unit-Price Contract for Cured-In-Place Pipeline Rehabilitation (RI705)

Motion made by Mr. McCorvey seconded by Dr. Walker that the Board approve the optional one-year extension of the Annual Unit-Price for Cured-In-Place Pipeline Rehabilitation contract with Suncoast Infrastructure, Inc., for the third and final year of the contract term, with funding from CIP Project RI705, supplemented by transfer from

CIP Project RI700 – Infiltration and Inflow, as needed for expenditures up to \$3 million for this contract period. **Motion carried 4-0.**

(c) Extension of Contracts – Grounds Maintenance

Motion made by Dr. Walker seconded by Mr. Perkins that the Board approve the optional one-year extension of the current contracts for grounds maintenance at the CWRP, regional lift stations, ECUA office complex, Ellyson Industrial Park, and Godwin Lane with Executive Landscaping in the amount of \$65,030; and ECUA water well and lift station properties with Gulf Coast Environmental in the amount of \$84,300, with payment from the appropriate budget line items. **Motion carried 4-0.**

Ms. Benson inquired as to why we have two contracts. Ms. Sorrell advised that we are able to save money by bidding certain properties separately.

(d) Financial Advisory Services

Motion made by Mr. McCorvey seconded by Dr. Walker that the Board award a three-year contract with three optional one-year extensions at the same terms and conditions as proposed in the original RFP, to RBC Capital Markets, LLC, consistent with its response to the RFP, and authorize the Executive Director to sign the necessary contract papers. **Motion carried 4-0.**

Ms. Benson asked Mr. Sorrell to explain this item. Mr. Sorrell stated that we use financial advisor services when we issue debt through bank loans or bonds. They present their analyses of the best deals and rates when we go to the market or receive competitive proposals from the banks. The Board had directed staff to request proposals, and we are recommending RBC Capital, who is the lowest bidder and has provided great service in the past.

(e) Standard Professional Engineering Services Agreement

Motion made by Mr. Perkins seconded by Mr. McCorvey that the Board approve the form of the standard Professional Engineering Services Agreement as presented for use in contracting with pre-qualified general engineering consultants and other engineers as needed, and authorize the Executive Director to enter into agreements with engineering consultants approved for work by ECUA. **Motion carried 4-0.**

Ms. Benson understands that this creates a unified form for contracts instead of multiple types of contracts. Mr. Odom agreed, stating that this will provide a uniform contract with all of the different consultants making it necessary to only have to discuss the scope of work for each.

Dr. Walker inquired as to whether this is a standard ECUA form, or based on a national model. Mr. Odom explained that this a contract drafted by ECUA, therefore, it is an ECUA document.

(f) Zero Waste's Request to Renegotiate Contract Terms

Ms. Benson recognized Mr. Mark Buntjer, 2464 Merritt Place, Livermore, California. Mr. Buntjer is the Director of Operations for Zero Waste Energy, LLC (ZWE) and addressed the

Board providing an update of the Chinese waste paper ban. He indicated that they cannot absorb the results of this ban by themselves and need a partner who can work cooperatively for solutions. He respectfully requested that the Board recognize the force majeure clause in the contract and work with them. He also provided a handout to each Board member which lists various websites relative to the ban of recyclables in China.

Ms. Benson stated that we are in litigation with this company and asked Mr. Odom if he had anything to add. Mr. Odom confirmed that we are in arbitration and the situation has become worse in that Zero Waste now owes the ECUA in excess of a quarter of a million dollars, and believe they are not honoring various provisions of the contract. He advised that the Board refrain from having extensive discussion regarding this matter.

Mr. Perkins inquired as to the length of the contract. Mr. Odom stated that September 26, 2019, would be the contract term, with various termination provisions in the contract, and we have advised Zero Waste that we believe they are in breach of several very important terms of the contract.

Motion made by Mr. McCorvey seconded by Mr. Perkins that the Board reject ZWE's request to renegotiate the contract. ***Motion carried 4-0.***

ITEM 10 – INFORMATIONAL REPORTS

None.

ITEM 11 – EXECUTIVE DIRECTOR'S REPORT

(a) Emergency Purchase Notification – Moreno Street Regional Pumping Station Grinder Replacement

Mr. Sorrell informed the Board members that the grinder pump at this regional lift station has failed and we needed to purchase one that matches our existing system.

Mr. Sorrell added that Mr. McCorvey requested that we purchase a trophy case to house all of the awards that ECUA has been receiving for its various programs and achievements; however, that case is now full. We continue to receive awards, therefore, we had to order an additional trophy case.

We are very close to having contracts with three solid waste agencies for providing us with recyclables. When these contracts are finalized, we will be at capacity.

Most of the construction has been completed on the Guillemard tank and they are doing the interior painting and sealing. The exterior painting will begin within the next couple of weeks. The tank at Carriage Hills has been completed.

Ms. Benson stated that the medical facility provides a great buffer for the Guillemard tank, and asked if Mr. Sorrell is aware of the status of that building. Mr. Sorrell replied that he has not heard anything new, but that the owner was going to update the facility and has hired an architect to provide a use plan. Mr. Sorrell heard that the owner was going to implement that

plan and that the first floor would be for commercial use and the upper floors would be residential. Ms. Benson added that it would be nice to have an update on that facility as it has a bearing on the neighborhood.

ITEM 12 – ATTORNEY’S REPORT

(a) Legal Services Agreement

Mr. Odom previously added this item to the agenda. He stated that this Legal Services Agreement allows retention of the services of the law firm of Baron & Budd, which we previously utilized during the MTBE matter. Baron & Budd will associate with Odom & Barlow as local counsel relative to the matters surrounding perfluoroalkyl substances (PFAS) and perfluorooctane sulfonate (PFOS). Mr. Odom made a recommendation that the Board approve this agreement.

Motion made by Mr. McCorvey, seconded by Mr. Perkins, to approve the Legal Services Agreement with Baron & Budd. *Motion carried 4-0.*

Mr. Odom informed the Board that he has had lengthy discussions with the City’s attorney to work through the issues of the proposed recycling agreement. He anticipates bringing the final agreement to the Board at the May or June meeting. The City Attorney specifically asked that he inform the ECUA Board of the progress.

ITEM 13 – UNFINISHED BUSINESS

None.

ITEM 14 – NEW BUSINESS

None.

ITEM 15 – BOARD COMMUNICATIONS

Mr. Perkins advised the Board that he is working with the Carpenter’s Creek cleanup group who has purchased the head waters at the creek and begin cleanup activities. They envision the creation of a park and boardwalk along the creek. The access to the area for cleanup is difficult. There is a lift station at the end of the creek at 12th Avenue and he suggested allowing kayaks to access the creek via this lift station site to aid in the cleanup activities.

He also would like to see the use of more cloth shopping bags to help eliminate the use of plastic bags.

ITEM 16 – OPEN FORUM

None.

ITEM 17 - ADJOURNMENT

There being no further business coming before the Board, Chairman Benson adjourned the meeting at approximately 3:37 p.m.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Stephen E. Sorrell", written in a cursive style.

Stephen E. Sorrell
Executive Director and Secretary

APPROVED BY THE ECUA BOARD
IN REGULAR SESSION ON _____

- ☐ Without corrections/amendments
- ☐ With corrections/amendments being: